

ORDINANCE No. 186712

* Update the System Development Exemption Program to reflect current administration by the Portland Housing Bureau and establish Administrative Rules (Ordinance; amend Code Section 30.01.095)

The City of Portland ordains:

Section 1. The Council finds:

1. The Portland Housing Bureau (PHB) administers the System Development Charge (SDC) Exemption Program in coordination with the Bureaus of Water, Transportation, Parks and Recreation and Environmental Services. The SDC Exemption Program promotes the construction of affordable housing by off-setting some of the cost of new development in order to advance the City's housing, economic prosperity, and equity goals.
2. The SDC Exemption Program is part of a portfolio of tools promoting affordable housing. PHB is amending Code to reflect PHB's administrative responsibility.
3. The PHB has developed Administrative Rules to further define the SDC Exemption Program authorized by City Code Section 30.01.095 which is attached as Exhibit A.

NOW THEREFORE, The Council directs:

- a. Subsection 30.01.095 A. is amended as follows:
 - A. The purpose of this section is to reduce the costs of developing permanent affordable housing by ~~waiving~~exempting system development charges for qualified affordable housing developments. This section advances a Council-recognized public policy goal to provide for a diversity of housing types to meet the needs of the citizens of the City.
- b. Subsection 30.01.095 B. is amended as follows:
 - B. The City will exempt qualified affordable housing developments from paying all or part of system development charges required by ~~this~~ Code. The Applicant must apply for exemptions under this Section prior to the date the City issues the permit on the new development. ~~The City may reject applications received after the date of the first occupancy permit.~~ Where new development consists of only part of one or more of the uses described in this section, only that portion of the development that qualifies under this Section is eligible for an exemption. The balance of the new development that does not qualify for any exemption under this Section is subject to system development charges to the full extent authorized by Code or general ordinance. The Applicant has the burden to prove entitlement to exemptions so requested.
- c. Subsection 30.01.095 C. is amended as follows:

- C. To obtain the exemption, the applicant must present to the City, at the time of Application, documentation from ~~Portland Development Commission~~Housing Bureau that the development qualifies for the exemption pursuant to this Chapter. Applicant must also pay an administration fee per unit on rental and/or owner-occupied units as determined by the Portland Housing Bureau.
- d. Subsection 30.01.095 D. is amended as follows:
- D. The City shall calculate exemptions in the manner authorized for calculating system development charges for rented and owner-occupied residential properties. Non-residential properties or the non-residential portion of mixed-use developments are not eligible for exemptions provided by this Section.
- e. Subsection 30.01.095 E. is amended as follows:
- E. The City shall require the recording of real property covenants in the deed records for properties receiving exemptions under this Section in order to ensure compliance, or to provide remedies for failure to restrict units, or both. Deed restrictions may be used by the ~~Portland Development Commission~~Housing Bureau in order to restrict sale prices and rents charged for exempt units, or to provide remedies for failure to restrict units, or both.
- f. Subsection 30.01.095 F. 1. is amended as follows:
1. Affordability.
- Remainder of subsection is unchanged.
- g. Subsection 30.01.095 F. 4. is amended as follows:
4. Pursuant to Section 30.01.040, the Portland Housing Bureau ~~and Portland Development Commission~~are responsible for enforcing property covenants and other agreements with applicants that are conditions of receiving exemptions provided by this Section. Portland Housing Bureau may adopt, amend and appeal administrative rules, establish procedures, and prepare forms for implementation, administration and compliance monitoring consistent with the provisions of this Section.
- h. City Code Section 30.01.095 shall be implemented consistent with the binding Administrative Rules included as Exhibit A, developed by Portland Housing Bureau, whose Director or designee shall have the authority to adopt, amend, and repeal these rules consistent with the provisions of the Code.

Section 2. The Council declares that an emergency exists because delay would impede the ability of the PHB to administer the SDC Exemption Program. Therefore, this ordinance shall be in full force and effect on July 1, 2014.

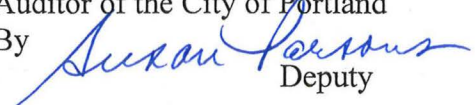
Passed by the Council: JUL 02 2014

Commissioner: Dan Saltzman
Prepared by: Dory Van Bockel
Date prepared: June 25, 2014

LaVonne Griffin-Valade

Auditor of the City of Portland

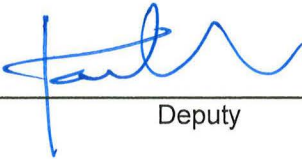
By

A handwritten signature in blue ink, appearing to read "Susan Parsons", is written over the printed name of the Deputy Auditor.

Deputy

Agenda No. **ORDINANCE NO. 186712**
Title

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<p>INTRODUCED BY Commissioner/Auditor: Dan Saltzman</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Portland Housing Bureau Bureau Head: Traci Manning</p> <p>Prepared by: Dory Van Bockel Date Prepared: June 25, 2014</p> <p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>City Auditor Office Approval:</p> <p>City Attorney Approval:</p> <p>Council Meeting Date July 2, 2014</p>	<p>CLERK USE: DATE FILED <u>JUN 27 2014</u></p> <p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p> <p>ACTION TAKEN:</p>
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AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____
Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/> <i>Consent</i>
REGULAR <input checked="" type="checkbox"/>
Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	